

Discovery Communications, LLC

Attachment to Form 8937, Report of Organizational Action Affecting Basis of Securities

The information in this document does not constitute tax advice and is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code of 1986, as amended (the “Code”). Holders of the Existing Notes and the New Notes (each as defined below) should consult their own tax advisors regarding the particular tax consequences of the Exchange (as defined below) to them, including the applicability and effect of all U.S. federal, state and local and non-U.S. tax laws.

Form 8937, Part I, Box 10

CUSIP Number

Series of Existing Notes	CUSIP
5.000% Senior Notes due 2037	25470DAS8
6.350% Senior Notes due 2040	25470DAD1
4.950% Senior Notes due 2042	25470DAG4
4.875% Senior Notes due 2043	25470DAJ8

Series of New Notes	CUSIP
4.000% Senior Notes due 2055	25470DBK4

Form 8937, Part II, Box 14

Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On September 21, 2020 (the “**Exchange Date**”), Discovery Communications, LLC (“**DCL**”) completed an exchange (the “**Exchange**”) of a portion of its 5.00% Senior Notes due 2037 (the “**2037 Notes**”), its 6.35% Senior Notes due 2040 (the “**2040 Notes**”), its 4.95% Senior Notes due 2042 (the “**2042 Notes**”), and its 4.875% Senior Notes due 2043 (the “**2043 Notes**,” and together with the 2037 Notes, the 2040 Notes, and the 2042 Notes, the “**Existing Notes**”) held by certain holders for new 4.00% Senior Notes due 2055 (the “**New Notes**”) and a cash payment equal to the accrued and unpaid interest on the Existing Notes up to, but excluding, the Exchange Date. In addition, exchanging holders may receive cash in lieu of a fractional amount of New Notes. The principal amount of New Notes issued in respect of each series of Existing Notes was determined in accordance with terms of the Offering Memorandum for the Exchange and in each case exceeded the principal amount of Existing Notes surrendered in the Exchange.

DCL has determined that the Exchange constitutes a “significant modification” of the Existing Notes within the meaning of Treasury Regulation § 1.1001-3(e), resulting in a deemed exchange of the Existing Notes for the New Notes for U.S. federal income tax purposes.

Form 8937, Part II, Box 15

Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

The exchange of the Existing Notes for the Existing Notes pursuant to the Exchange qualifies as a “recapitalization” (within the meaning of Section 368(a)(1)(E) of the Code) for U.S. federal income tax purposes if the Existing Notes and New Notes each constitute “securities” of DCL for U.S. federal income tax purposes. The term “security” is not defined in the Code or in the Treasury Regulations issued thereunder and, as applied to debt obligations, the meaning of the term “security” is unclear. We intend to take the position that the New Notes and each series of the Existing Notes qualify as securities, and thus that the exchange of a series of Existing Notes for New Notes is treated as a recapitalization for U.S. federal income tax purposes.

Assuming that the exchange of the Existing Notes for the New Notes pursuant to the Exchange qualifies as a recapitalization, a holder will not recognize loss, but will recognize gain equal to the lesser of (i) the fair market value of the “excess principal” amount received (“boot”) and (ii) the gain realized by the holder. The excess principal amount is the excess of the principal amount of New Notes received over the principal amount of Existing Notes surrendered for those New Notes. in the Exchange.

A holder’s initial tax basis in the portion of New Notes that are not treated as boot will be the same as the holder’s tax basis in the Existing Notes allocated thereto (excluding accrued and unpaid interest), increased by the amount of gain recognized by the holder in the exchange, if any, and decreased by the amount of boot that is received by the holder. The portion of the New Notes treated as boot will have an initial tax basis in a holder’s hands equal to the fair market value of those New Notes.

If the Exchange does not qualify as a recapitalization, it will be treated as a taxable exchange. In that case, a holder’s basis in the New Notes generally would equal the “issue price” of the New Notes (described below in Box 16) received by the holder.

Holders of the Existing Notes should consult their own tax advisors regarding the possible classification of the Existing Notes and New Notes as securities and the tax consequences of the Exchange to them.

Form 8937, Part II, Box 16

Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

The basis in a holder’s New Notes is calculated in the manner described above in Box 15.

DCL has determined that, as of the Exchange Date, the New Notes were “traded on an established market” within the meaning of Treasury Regulation § 1.1273-2(f), based upon trades reported on FINRA’s Trade Reporting and Compliance Engine. Accordingly, DCL has determined that the issue price of the New Notes as of the Exchange Date was as follows (expressed as a percentage of face amount):

Debt Tranche	Issue Price (%)
New Notes	102.5%

Holders of the Existing Notes should consult their own tax advisors to determine the tax consequences of the Exchange to them.

Form 8937, Part II, Box 17

List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

Sections 354, 356, 358, 368, 1001, 1012 and 1273 of the Code.

Form 8937, Part II, Box 18

Can any resulting loss be recognized?

If the Exchange qualifies as a recapitalization for U.S. federal income tax purposes, no loss would be recognized for U.S. federal income tax purposes.

If the Exchange does not qualify as a recapitalization for U.S. federal income tax purposes, the Exchange may result in a loss to a holder that can be recognized for U.S. federal income tax purposes.

Form 8937, Part II, Box 19

Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The reportable tax year is 2020 with respect to calendar-year taxpayers.